Impact of large scale inflow of dollar

3968. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRIMATI VEENA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have made any estimate of the total amount of dollars held back by exporters as on the 28th February, 1993 if so, the details thereof; and

(b) what is the likely impact of such a large scale inflow of dollars on account of rupee convertibility?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) No Sir.

(b) In the absence of estimates, it is not possible to assess whether it is large and also the nature of impact.

Excise duty on portable agro-engines

3969. SHRI S. MADHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the portabe agro-engines run on kerosene are subject to excise duty of 10 per cent, while diesel engines upto 10 H.P. are fully exempt from excise duty;

(b) what steps have been taken to help the small farmers using the portable agro-engines from high prices of these engines because of excise levy?

(c) what is the annual income from the excise duty collected from the agro-engines run on kerosene; and

(d) whether it is a fact that it is cheaper for farmers to use kerosene run agro-engines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) With effect from 28-2-93, as part of the Budget for 1993-94, the excise duty on all types of internal combustion piston engines falling under Heading Nos. 84.07 and 84.08 of the Schedule to the Central Excise Tariff Act, 1985, has been reduced from 11.5 per cent to 10 per cent. Diesel oil operated internal combustion engines of 10 H.P. or less (other than those primarily designed as prime movers for transport vehicles) continue to remain fully exempted from excise duty.

(c) Data regarding excise revenue from agro-engines run on kerosene alone, is not being maintained separately.

(d) Government has no information as to whether it is cheaper for farmers to use kerosene run agro-engines as compared to other engines.

Steps to keep imports less expensive

3970. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that despite the duty reduction imports may turn out to be more expensive than what it was about a month ago;

(b) if so, the factors to which this hike is attributable; and

(c) the steps Government propose to take to keep the imports less expensive?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) The cost of import in rupee terms should be less expensive to the extent of the duty reduction as long as the

exchange rate of rupee vis-a-vis the currency in which imports are designated remains unchanged compared to a month ago. In as much as the average exchange rate applicable to imports of rupee per dollar for February, 1993 was 32.6456 and the exchange rate for 26th March, 1993 was 31.4367, it would not be appropriate to conclude that the imports would be more expensive despite the duty reduction.

(b) and (c) Does not arise.

Evasion of excise duty by East Coast Steel Factory

3971. SHRI V. NARAYANASAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that 'East Coast Steel Factory' in Pondicherry was detected evading excise duty running into crores of rupees in the import of scrap and also the billets sold in the market; and

(b) if so, what action Government have taken against the company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Import of scrap is subject to payment of customs duty including additional duty (countervailing duty). No excise duty is leviable on import of scrap. No case of evasion of excise duty by M/s. East Coast Steel Ltd. on billets sold in the market has been registered.

(b) Does not arise in view of (a) above.

Claims under Personal Accident Insurance Scheme

3972. MISS SAROJ KHAPARDE: Will the Minister of FINANCE be pleased to state:

(a) whether there is any Personal Accident Insurance Scheme for poor families in the country;

(b) if so, what are the details thereof; and

(c) the amount of claims settled under the Scheme till date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) A Personal Accident Insurance Social Security Scheme for Poor Families has already been introduced by the Central Government with effect from 15th August, 1985. The Scheme was extended in phases, to 214 districts in the country upto 14th August, 1988. With effect from 15th August, 1988, it has been extended to all the remaining districts and thus, the whole country stands covered under the Scheme. The Scheme covers all people in the age group of 18 to 60 whose total family income from all sources does not exceed Rs. 7,200/- per annum. A sum of Rs. 3,000 is payable to the dependents of the deceased earning member of poor families comprising of landless labourers, small farmers, traditional craftsmen etc. The Scheme is being operated through the General Insurance Corporation of India and its four subsidiaries viz. (i) National Insurance Company Limited (ii) New India Assurance Company Limited (iii) Oriental Insurance Company Limited and (iv) United India Insurance Company Limited with active involvement of State Governments and Union Territories. The entire cost of the Scheme is borne by the Central Government and no premium is charged from the beneficiary.

(c) Since introduction of the Scheme, a total amount of Rs. 21.88 crores has been paid towards settlement of claims till 30th September, 1992 for which the figures are available.